

**Wednesday, May 17, 2006**

The Board met at its offices at 450 N Street, Sacramento, at 9:40 a.m., with Mr. Chiang, Chair, Mr. Parrish, Vice Chair, Ms. Yee, Mr. Leonard and Mr. Westly present.

## **BOARD PHOTOGRAPH**

The annual Board photograph was taken of Mr. Chiang, Mr. Parrish, Ms. Yee, Mr. Leonard and Mr. Westly.

## **PROPERTY TAX MATTER**

### **STATE-ASSESSED PROPERTIES VALUE SETTING**

Stanley Siu, Chief, Valuation Division, Property and Special Taxes Department, made introductory remarks regarding the valuation of state-assessed properties.

## **PUBLIC COMMENTS**

Speakers:       Wade E. Norwood, Attorney, Rodi, Pollock, representing *AES Huntington Beach*  
                     Shari L. Freidenrich, City Treasurer, City of Huntington Beach  
                     Joseph Pastore, Division Chief, North County Fire District  
                     Donald Harvey, President Local 3058, North County Fire District

## **Electric Generation Facilities**

Action:           Upon motion of Ms. Yee, seconded by Mr. Westly and unanimously carried, Mr. Chiang, Mr. Parrish, Ms. Yee, Mr. Leonard and Mr. Westly voting yes, the Board ordered that the market value to be used in the assessment of unitary property of the following listed companies as of January 1, 2006, be as follows:

1100	AES Redondo Beach, LLC	267,600,000
1101	AES Redondo Beach, LLC	197,900,000
1104	Duke Energy Morro Bay, LLC	61,400,000
1105	Duke Energy Oakland, LLC	11,000,000
1106	Cabrillo Power I, LLC	131,100,000
1108	Mirant Potrero, LLC	42,200,000
1109	Mirant Delta, LLC	157,000,000
1110	El Segundo Power, LLC	79,000,000
1111	Long Beach Generation, LLC	7,410,000
1113	Reliant Energy Coolwater, Inc.	15,300,000
1114	Reliant Energy Mandalay, Inc.	43,500,000
1115	Reliant Energy Ormond Beach, Inc.	142,000,000
1118	Duke Energy South Bay, LLC	67,100,000
1119	Mountainview Power Company, LLC	549,800,000
1128	Delta Energy Center, LLC	438,200,000
1131	Pastoria Energy Facility, LLC	370,800,000
1132	Calpine Construction Finance Company, LP	253,000,000

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1134	Otay Mesa Generating Company, LLC	35,900,000
1136	Blythe Energy, LLC	238,700,000
1141	Indigo Generation, LLC	81,200,000
1142	Larkspur Energy, LLC	58,900,000
1145	Harbor Cogeneration Company	5,260,000
1146	AES Placerita, Inc.	8,410,000
1147	Palomar Energy, LLC	362,200,000

Action: Upon motion of Mr. Westly, seconded by Ms. Yee and unanimously carried, Mr. Chiang, Mr. Parrish, Ms. Yee, Mr. Leonard and Mr. Westly voting yes, the Board ordered that the market value to be used in the assessment of unitary property of the following listed companies as of January 1, 2006, be as follows:

1103	Duke Energy Moss Landing, LLC	690,000,000
1107	Cabrillo Power II, LLC	6,100,000
1112	La Paloma Generating Company, LLC	588,700,000
1116	Reliant Energy Etiwanda, Inc.	39,800,000
1117	Reliant Energy Ellwood, Inc.	3,620,000
1122	GWF Energy, LLC-Hanford	73,000,000
1123	GWF ENERGY, LLC-Henrietta	73,800,000
1124	GWF Energy, LLC-Tracy	114,100,000
1126	Elk Hills Power, LLC	293,800,000
1127	High Desert Power Trust 2000-A	470,600,000
1129	Gilroy Energy Center, LLC	98,600,000
1133	Metcalf Energy Center, LLC	315,700,000
1137	Sunrise Power Company, LLC	395,900,000
1143	Los Esteros Critical Energy Facility, LLC	93,200,000
1148	Inland Empire Energy Center, LLC	5,830,000

#### AES Huntington Beach, LLC (1102)

Action: Mr. Parrish moved that the market value to be used in the assessment of unitary property be \$124,000,000. The motion was seconded by Mr. Chiang but failed to carry, Mr. Parrish voting yes, Mr. Chiang, Mr. Leonard, Ms. Yee and Mr. Westly voting no.

Upon motion of Ms. Yee, seconded by Mr. Westly, and unanimously carried, Mr. Chiang, Ms. Yee, Mr. Leonard and Mr. Westly voting yes, Mr. Parrish abstaining, the Board ordered that the market value to be used in the assessment of unitary property be \$110,600,000 as of January 1, 2006.

#### Energy Companies

Action: Upon motion of Ms. Yee, seconded by Mr. Westly and unanimously carried, Mr. Chiang, Mr. Parrish, Ms. Yee, Mr. Leonard and Mr. Westly voting yes, the Board ordered that the market value to be used in the assessment of unitary property of the following listed companies as of January 1, 2006, be as follows:

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101	Golden State Water Company	480,900,000
103	Anza Electric Cooperative, Inc.	13,800,000
106	PacifiCorp	168,900,000
135	Pacific Gas & Electric Company	15,785,000,000
141	San Diego Gas & Electric Company	3,414,000,000
146	Sierra Pacific Power Company	180,500,000
148	Southern California Edison Company	10,657,700,000
149	Southern California Gas Company	2,771,700,000
152	Southwest Gas Corporation	175,900,000
153	Transwestern Pipeline Company	717,000
156	Trans-Elect NTD Path 15, LLC	147,500,000
160	Valley Electric Association, Inc.	58,400
173	Surprise Valley Electrification Corp.	13,200,000
176	Plumas-Sierra Rural Electric Cooperative	33,800,000
180	North Baja Pipeline, LLC	82,200,000
185	Mountain Utilities	3,870,000
187	Mojave Pipeline Company	74,500,000
188	Kern River Gas Transmission Company	343,100,000
189	Standard Pacific Gas Line, Inc.	19,000,000
190	Tuscarora Gas Transmission Company	75,500,000
191	Arizona Public Service Company	2,780,000
192	Alpine Natural Gas Operating Company No. One, LLC	2,010,000
193	Southwest Transmission Cooperative, Inc.	145,000
194	West Coast Gas Company, Inc.	1,100,000
195	Wild Goose Storage, Inc.	121,800,000
196	Questar Southern Trails Pipeline Company	37,500,000
197	El Paso Natural Gas Company	81,000,000
198	Lodi Gas Storage, LLC	122,000,000

**Intercounty Pipeline Companies**

Action: Upon motion of Mr. Westly, seconded by Ms. Yee and unanimously carried, Mr. Chiang, Mr. Parrish, Ms. Yee, Mr. Leonard and Mr. Westly voting yes, the Board ordered that the market value to be used in the assessment of unitary property of the following listed companies as of January 1, 2006, be as follows:

400	Standard Gas Company	206,000
402	CALNEV Pipe Line, LLC	78,100,000
406	CPN Pipeline Company	9,920,000
407	Valero Refining Company - California	1,440,000
409	West Coast Pipe Lines	143,800,000
410	Homestake Mining Company of California	279,000
412	Kings County Canal Company	612,000
428	CPN Pipeline Company	18,900,000
429	Chevron U.S.A., Inc.	29,500,000

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432	Equilon Enterprises, LLC	147,800,000
435	Natomas Central Mutual Water Company	131,000
461	SFPP, L.P.	408,000,000
462	ARCO Midcon, LLC	1,050,000
464	Ventura Pipeline System	4,250,000
465	Plains Pipeline, L.P.	30,200,000
467	ConocoPhillips Company	554,000
468	Shell California Pipeline Company, L.P.	9,220,000
469	San Ardo Pipeline Company	12,100,000
475	Searles Valley Minerals Operations Inc.	1,320,000
476	Chevron USA, Inc.	3,600,000
478	California Gas Gathering, Inc.	89,800
479	Chevron Pipeline Company	34,400,000
483	Mobil Pacific Pipeline Company	1,620,000
484	CPN Pipeline Company	4,600,000
486	Pacific Pipeline System, LLC	156,100,000
488	Pacific Terminals, LLC	39,800,000

Action: Upon motion of Mr. Westly, seconded by Mr. Leonard and unanimously carried, Mr. Chiang, Mr. Parrish, Ms. Yee, Mr. Leonard and Mr. Westly voting yes, the Board ordered that the market value to be used in the assessment of unitary property of the following listed companies as of January 1, 2006, be as follows:

480	ConocoPhillips Pipe Line Company	65,500,000
489	Venoco, Inc.	5,310,000

#### Searles Valley Minerals Operations, Inc. (475)

Action: Mr. Parrish moved to abate the penalty in the assessment of unitary property. The motion was seconded by Mr. Leonard but failed to carry, Mr. Parrish and Mr. Leonard voting yes, Mr. Chiang, Ms. Yee and Mr. Westly voting no.

Upon motion of Ms. Yee, seconded by Mr. Westly and unanimously carried, Mr. Chiang, Ms. Yee, Mr. Leonard and Mr. Westly voting yes, Mr. Parrish abstaining, the Board ordered that the market value to be used in the assessment of unitary property be \$1,320,000 as of January 1, 2006.

#### Railroad Companies

Action: Upon motion of Ms. Yee, seconded by Mr. Westly and unanimously carried, Mr. Chiang, Mr. Parrish, Ms. Yee, Mr. Leonard and Mr. Westly voting yes, the Board ordered that the market value to be used in the assessment of unitary property of the following listed companies as of January 1, 2006, be as follows:

800	Alameda Belt Line	295,000
802	Central Oregon & Pacific Railroad	3,970,000
804	BNSF Railway Company	607,400,000
808	West Isle Line, Inc.	168,000

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810	California Northern Railroad	10,700,000
812	Ventura County Railroad	2,830,000
813	Pacific Harbor Lines	6,250,000
817	Tulare Valley Railroad	280,000
818	Central California Traction Company	5,560,000
834	Lake County Railroad	534,000
839	Oakland Terminal Railway Company	127,000
843	Union Pacific Railroad Company	876,600,000
850	Modesto & Empire Traction Company	23,400,000
857	Richmond Pacific Railroad Corporation	803,000
865	San Diego & Imperial Valley Railroad Co., Inc.	6,610,000
869	Santa Maria Valley Railroad Company	1,530,000
878	Stockton Terminal and Eastern Railroad	8,210,000
882	Trona Railway Co.	12,700,000
883	McCloud Railway Company	1,830,000
889	Yreka Western Railroad Co.	484,000
892	Almanor Railroad Company	398,000
894	Napa Valley Wine Train, Inc.	19,900,000
896	Santa Cruz Big Trees & Pacific Railway Co.	1,990,000
897	San Joaquin Valley Railroad Company	8,530,000
898	Sierra Northern Railway	1,170,000
899	Arizona & California Railroad	6,320,000

Action: Upon motion of Mr. Westly, seconded by Ms. Yee and unanimously carried, Mr. Chiang, Mr. Parrish, Ms. Yee, Mr. Leonard and Mr. Westly voting yes, the Board ordered that the market value to be used in the assessment of unitary property of the following listed companies as of January 1, 2006, be as follows:

815	Mendocino Railway	1,560,000
819	Carrizo Gorge Railway, Inc.	120,000

### Radio Telephone and Paging Companies

Action: Upon motion of Ms. Yee, seconded by Mr. Leonard and unanimously carried, Mr. Chiang, Mr. Parrish, Ms. Yee, Mr. Leonard and Mr. Westly voting yes, the Board ordered that the market value to be used in the assessment of unitary property of the following listed companies as of January 1, 2006, be as follows:

3005	Mobilephone of Humboldt, Inc.	141,000
3039	Fresno Mobile Radio, Inc.	526,000
3052	Vincent Communications, Inc.	30,600
3362	Madera Radio Dispatch, Inc.	407,000
3430	Metrocall, Inc.	20,000,000
3432	Point BTA 79, LLC	28,200

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Action: Upon motion of Mr. Leonard, seconded by Mr. Westly and unanimously carried, Mr. Chiang, Mr. Parrish, Ms. Yee, Mr. Leonard and Mr. Westly voting yes, the Board ordered that the market value to be used in the assessment of unitary property of the following listed companies as of January 1, 2006, be as follows:

3342	High Sierra Mobilfone	250,000
3427	Access Paging Company, Inc.	63,700
3434	James R. McKeown	38,000

### Interexchange Telephone Companies

### PUBLIC COMMENT

Speakers: Peter W. Michaels, Cooper, White & Cooper, representing *Qwest Communications Corporation*

Action: Upon motion of Mr. Parrish, seconded by Mr. Leonard and unanimously carried, Mr. Chiang, Mr. Parrish, Ms. Yee, Mr. Leonard and Mr. Westly voting yes, the Board ordered that the market value to be used in the assessment of unitary property of the following listed companies as of January 1, 2006, be as follows:

2014	Sprint Communications Co., L.P.	299,400,000
2038	Verizon Airfone, Inc.	659,000
2043	Pac-West Telecomm, Inc.	24,600,000
2054	Spacenet, Inc.	57,700
2099	Smart City Networks, LP	767,000
2207	Global Crossing Telecommunications, Inc.	27,900,000
2274	MCI Communications Services, Inc.	338,200,000
2275	SES Americom, Inc.	73,800
2366	Value-Added Communications, Inc.	119,000
2368	Globe Wireless, LLC	1,170,000
2372	MCI Metro Access Transmission Services, LLC.	125,800,000
2376	Working Assets Funding Service, Inc.	439,000
2416	NOS Communications, Inc.	2,530,000
2430	Electric Lightwave, Inc.	32,400,000
2437	Dialink Corporation	17,500
2443	National Cometl Network, Inc.	35,700
2475	VarTec Telecom, Inc.	3,120,000
7503	Verizon Select Services, Inc.	3,110,000
7512	Frontier Communications of America, Inc.	3,530,000
7517	Vycera Communications, Inc.	990,000
7522	Time Warner Telecom of California, L.P.	188,100,000
7536	Global Crossing North American Networks, Inc.	15,600,000
7538	Tremcom International, Inc.	122,000
7544	Telswitch, Inc.	36,600
7553	Comcast Phone of California, LLC	53,600,000
7560	XO Communications Services, Inc.	79,300,000

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7571	Network Enhanced Technologies, Inc.	686,000
7577	Qwest Interprise America, Inc.	331,000
7581	ABS-CBN Telecom North America, Inc.	333,000
7588	PNG Telecommunications, Inc.	12,900
7621	SES Americom California, Inc.	5,230,000
7625	TCAST Communications, Inc.	1,400,000
7630	Broadwing Communications, LLC	32,300,000
7632	Business Discount Plan, Inc.	46,000
7636	Network Telephone Services, Inc.	3,780,000
7638	Integrated Telemanagement Services, Inc.	17,000
7640	Cox California Telecom, LLC	128,400,000
7686	Primus Telecommunications, Inc.	1,860,000
7690	California Catalog & Technology, Inc.	66,700
7699	Legacy Long Distance International	274,000
7705	Sierra Telephone Long Distance	69,100
7706	Covad Communications Company	57,900,000
7707	SureWest Long Distance	16,600
7723	Opentel Communications, Inc.	131,000
7724	Mpower Communications Corporation	47,900,000
7727	Sprint Services, Inc.	5,040,000
7729	New Global Telecom, Inc.	263,000
7732	NTT America, Inc.	71,400,000
7735	Pacific Centrex Services, Inc.	90,600
7740	TRI-M Communications, Inc.	811,000
7755	Real Navigation Systems Corporation	2,300
7756	Centergistic Solutions, Inc.	105,000
7758	BT Americas, Inc.	14,400,000
7760	Teleglobe America, Inc.	4,420,000
7761	Level 3 Communications, LLC	454,600,000
7762	Telco Network Services, Inc.	1,210,000
7766	KDDI America, Inc.	7,230,000
7769	Airnex Communications, Inc.	192,000
7775	RCN Telecom Services of California, Inc.	39,200,000
7777	Micro General Services Corp.	62,300
7778	NTI of California, LLC	333,000
7779	360networks (USA), Inc.	7,790,000
7781	Korea Telecom America, Inc.	860,000
7782	Ton Services, Inc.	53,000
7785	McLeodUSA Telecommunications Services, Inc.	66,400
7790	NTC Network, LLC	14,400
7791	O1 Communications, Inc.	2,970,000
7792	Point To Point, Inc.	269,000
7799	Wilshire Connection, LLC	1,420,000
7800	New Edge Network, Inc.	3,190,000
7813	Advanced TelCom, Inc.	7,200,000

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7814	PAETEC Communications, Inc.	8,810,000
7815	GTC Telecom Corp.	209,000
7823	U.S. Telestar Communications Group	2,000
7824	Kertel Communications, Inc.	524,000
7832	Astound Broadband, LLC	18,900,000
7834	Pannon Telecom, Inc.	155,000
7837	AboveNet Communications, Inc.	34,200,000
7843	Telemanagement Services, Inc.	8,500
7845	San Carlos Telecom, Inc.	238,000
7846	The Telephone Connection Local Services, LLC	6,000
7852	Telstra, Incorporated	1,800
7859	EAS Communication, Inc.	164,000
7861	Looking Glass Networks, Inc.	16,600,000
7867	The Telephone Connection IXC Services, LLC	12,200
7868	Fones 4 All Corporation	471,000
7870	Communications Express, Inc.	19,200
7871	GTE.NET, LLC	615,000
7872	Infotech Telecommunications & Network, Inc.	23,300
7876	Total Call International, Inc.	2,010,000
7880	Quick-Tel, Inc.	6,900
7885	SBC ASI/SBC ASI P&L, L.P.	575,800,000
7887	AccessLine Communications Corp.	311,000
7892	OnFiber Communications, Inc.	21,000,000
7894	Ponderosa Cablevision	951,000
7898	United States Telesis, Inc.	1,200
7899	RGT Utilities of California, Inc.	68,600
7907	Telscape Communications, Inc.	9,770,000
7910	Champion Broadband California, LLC	7,090,000
7912	Americom Government Services, Inc.	912,000
7913	VCOM Solutions, Inc.	100,000
7914	McLeodUSA Network Services, Inc.	699,000
7916	Peak Communications, Inc.	9,700
7919	Verizon Avenue Corp.	2,260,000
7927	Rapid Link, Inc.	304,000
7932	Metro Access Exchange, LLC	23,700
7934	Telecom House, Inc.	102,000
7938	McBlue Telecom, Inc.	88,400
7939	Samsung Networks America, Inc.	25,400
7943	Veracom Networks, Inc.	1,100
7945	ZTG, Inc.	31,800
7946	Netifice Communications, Inc.	2,890,000
7947	IDT America, Corp.	165,000
7948	Telenor Satellite Services, Inc.	8,510,000
7949	Anew Telecommunications Corporation	135,000
7950	ATMC, Inc.	9,200

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7951	SWB Communications Services, Inc.	22,800,000
7953	Openpop.com, Inc.	195,000
7956	Telespan Communications, LLC	131,000
7959	Airespring, Inc.	42,900
7961	SureWest Televideo	144,200,000
7969	Intelsat Global Service Corporation	22,500,000
7972	Yipes Enterprise Services, Inc.	6,760,000
7973	Alliance Payphone, Inc.	71,600
7976	Local Fiber, LLC	1,260,000
7978	Legent Communications Corporation	51,300
7981	Leading Edge Broadband Services, LLC	1,560,000
7983	LCR Services, Inc.	3,800
7985	UCN, INC.	1,400,000
7988	Global Tel*Link Corporation	1,430,000
7989	Option One Telecom, Inc.	41,400
7990	CMTel (USA), LLC	2,320,000
7992	NobelTel, LLC	2,040,000
7993	Clearworld Communications Corp	292,000
7994	Utility Telephone, Inc.	632,000
7996	Rural West - Western Rural Broadband, Inc.	991,000
7997	Edison Carrier Solutions	69,000,000
8000	G2 Solutions, LLC	4,100
8001	Custom Switching Technologies, Inc.	151,000
8002	Neutral Tandem – California, LLC	1,710,000
8003	Creative Interconnect Communications, LLC	193,000
8004	Greenfield Communications, Inc.	18,600
8005	Cable and Wireless Americas Operations, Inc.	5,120,000
8006	Lucky Communications, Inc.	145,000
8008	Volo Communications of California, Inc.	300,000
8009	France Telecom Corporate Solutions, LLC	15,600
8010	A+ Wireless	40,100
8011	DeITel, Inc.	150,000
8012	RB Communications, Inc.	202,000
8013	Worldwide Telecommunications, Inc.	1,500
8014	Fonica, LLC	3,600
8015	China Telecom (USA) Corporation	76,200
8016	Call Center Management, Inc.	1,300
8018	Telewest, Inc.	10,700
8019	Global Touch Telecom, Inc.	56,500
8020	GVN Services	61,200
8021	EWI Holdings, Inc.	402,000
8022	ACI Communications Holdings, Inc.	581,000
8023	One Phone, Inc.	95,300
8024	TC Telephone, LLC	115,000
8025	FreedomStarr Communications, Inc.	3,600

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8026	Nationwide Telecom, Inc.	39,700
8027	Blue Casa Communications, Inc.	298,000
8028	Mercury Telecom, Inc.	466,000
8029	IPC Network Services, Inc.	144,000
8030	Andiamo Telecom, LLC	46,400
8031	Backbone Communications, Inc.	127,000
8032	BCE Nexxia Corporation	856,000

Action: Upon motion of Mr. Westly, seconded by Ms. Yee and unanimously carried, Mr. Chiang, Mr. Parrish, Ms. Yee, Mr. Leonard and Mr. Westly voting yes, the Board ordered that the market value to be used in the assessment of unitary property of the following listed companies as of January 1, 2006, be as follows:

2310	AT&T Communications, Inc.	732,500,000
2391	Arrival Communications, Inc.	4,140,000
7580	Evercom Systems, Inc.	144,000
7645	Communications Brokers & Consultants	6,000
7713	DSI/Inn-Tel, Inc.	9,400
7747	TGEC Communications Co., LLC	169,000
7757	U.S. TelePacific Corp.	46,300,000
7811	Public Communications Services, Inc.	1,590,000
7831	Dacom America, Inc.	1,360,000
7866	Telmex USA, LLC	1,290,000
7874	Competitive Communications, Inc.	315,000
7875	AllCom USA	25,200
7911	WTI Systems & Services, Inc.	97,800
7917	APEX Telecom, Inc.	101,000
7924	BAK Communications, LLC	1,760,000
7925	UCHUB Group, Inc.	5,200
7926	DSL.net, Inc.	64,100
7935	Winstar Communications, LLC	220,000
7944	Volonet Technologies, Inc.	797,000
7952	Advanced Tel, Inc.	59,200
7957	C.F. Communications, LLC	551,000
7960	CallTower, Inc.	1,270,000
7964	Aries Network, Inc.	84,800
7967	New World Telecom International, Inc.	300,300
7980	Teledata Solutions, Inc.	1,190,000
7982	NextG Networks of California	9,260,000
7984	360networks (USA 2), L.P.	67,000
7991	Telemex International	438,000
7995	IP Networks, Inc.	10,000,000
7998	Norcast Communications Corporation	362,000
7999	Hands On Sign Language Services, Inc.	13,000
8007	Asia Talk Telecom, Inc.	322,000

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8017	Locus Telecommunications, Inc.	698,000
8033	Telecom Consultants, Inc.	3,500
8034	Phone1, Inc.	664,000
8035	Access One, Inc.	10,100
8036	Miracle Communications, Inc.	34,000
8037	CA-CLEC, LLC	253,000
8038	Telespan Carrier Access, LLC	5,100
8039	Voicecom Telecommunications, LLC	1,760,000
8040	Mission Telecom, Inc.	10,300
8041	DMR Communications, INC.	229,000
8042	Paxio, Inc.	406,000
8043	Acceris Management and Acquisition, LLC	2,220,000
8044	Intermetro Communications, Inc.	1,710,000
8045	IDT Spectrum	1,500
8046	Hypercube, LLC	129,000
8047	Syniverse Technologies, Inc.	30,400
8048	Bright House Networks Information Services (California), LLC	512,000
8049	Cbeyond Communications, LLC	962,000
8050	Starvox Communications, Inc.	540,000
8051	Inteltrace, Inc.	8,200
8052	Worldnet Group Telecom, Inc.	25,100
8053	First Point Telecom, LLC	78,700
8054	G2G Telecom, Inc.	11,300
8055	Network Pts, Inc.	9,900
8056	Myzia Communications, LLC	66,600
8057	Vertex Telecom, Inc.	199,000
8058	Computer Network Technology Corp.	15,600

**Qwest Communications Corporation (2463)**

Action: Mr. Parrish moved to abate the penalty in the assessment of unitary property. The motion was seconded by Mr. Leonard but failed to carry, Mr. Parrish and Mr. Leonard voting yes, Mr. Chiang, Ms. Yee and Mr. Westly voting no.

Upon motion of Ms. Yee, seconded by Mr. Westly and duly carried, Mr. Chiang, Ms. Yee and Mr. Westly voting yes, Mr. Parrish and Mr. Leonard voting no, the Board ordered that the market value to be used in the assessment of unitary property be \$144,500,000 as of January 1, 2006.

**Enhanced Communications Network, Inc. (7955)**

Action: Mr. Parrish moved to abate the penalty in the assessment of unitary property. The motion was seconded by Mr. Leonard but failed to carry, Mr. Parrish and Mr. Leonard voting yes, Mr. Chiang, Ms. Yee and Mr. Westly voting no.

Upon motion of Ms. Yee, seconded by Mr. Westly and duly carried, Mr. Chiang, Ms. Yee and Mr. Westly voting yes, Mr. Parrish and Mr. Leonard voting no, the Board ordered that the market value to be used in the assessment of unitary property be \$152,000 as of January 1, 2006.

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### **Wireless Telephone Companies**

Action: Upon motion of Ms. Yee, seconded by Mr. Parrish and unanimously carried, Mr. Chiang, Mr. Parrish, Ms. Yee, Mr. Leonard and Mr. Westly voting yes, the Board ordered that the market value to be used in the assessment of unitary property of the following listed companies as of January 1, 2006, be as follows:

2512	Verizon Wireless (VAW), LLC	185,100,000
2513	Sacramento Valley, Limited Partnership	206,300,000
2532	Los Angeles SMSA, Ltd. Partnership	832,300,000
2552	Fresno MSA, Limited Partnership	94,900,000
2559	GTE Mobilnet of California, Ltd. Partnership	417,600,000
2602	Digital Communications Network, Inc.	137,000
2605	Nova Cellular West, Inc.	44,100
2606	Cingular Wireless, LLC	1,974,700,000
2627	GTE Mobilnet of Santa Barbara, L.P.	32,600,000
2649	Action Cellular Rent-A-Phone, Inc.	156,000
2659	Cal-One Cellular, L.P.	7,730,000
2665	WWC License, LLC	6,810,000
2667	Cellco Partnership	142,900,000
2668	California RSA No. 3, Limited Partnership	9,590,000
2669	California RSA #4, Partnership	12,900,000
2671	California Rural Service Area #1, Inc.	31,400,000
2681	Everything Wireless, L.L.C.	95,000
2687	SLO Cellular, Inc.	8,850,000
2733	Metro PCS California/Florida, Inc.	207,000,000
2737	Sprint Nextel Corporation	796,400,000
2745	West Coast P.C.S.	42,800,000
2746	Alpine PCS, Inc.	811,000
2750	Verisign, Inc.	36,300
2751	Ubiquitel Operating Company, Inc.	57,500,000
2753	Edge Wireless, LLC	14,700,000
2754	Metro One Telecommunications, Inc.	602,000
2758	Image Paging & Cellular	92,600
2760	Fisher Wireless Services, Inc.	1,730,000
2762	Cricket Communications, Inc.	105,700,000
2764	NTCH-CA, Inc.	1,170,000
2767	Virgin Mobile USA, LLC	17,100,000

Action: Upon motion of Ms. Yee, seconded by Mr. Parrish and unanimously carried, Mr. Chiang, Mr. Parrish, Ms. Yee, Mr. Leonard and Mr. Westly voting yes, the Board ordered that the market value to be used in the assessment of unitary property of the following listed companies as of January 1, 2006, be as follows:

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2658	Intouch America, Inc.	65,300
2680	ComTelesis, LLC	601,000
2683	Pay-Less Cellular	1,910,000
2720	Sprint PCS	1,186,100,000
2748	OmniPoint Communications, Inc.	1,386,100,000
2771	Faith Communications, Inc.	867,000
2772	Globalstar USA, LLC	3,920,000
2773	Accessible Wireless, LLC.	356,000

### **Local Exchange Telephone Companies**

Action: Upon motion of Mr. Westly, seconded by Mr. Parrish and unanimously carried, Mr. Chiang, Mr. Parrish, Ms. Yee, Mr. Leonard and Mr. Westly voting yes, the Board ordered that the market value to be used in the assessment of unitary property of the following listed companies as of January 1, 2006, be as follows:

201	Verizon California, Inc.	3,733,600,000
202	CenturyTel of Eastern Oregon, Inc.	82,900
205	Ponderosa Telephone Co., The	27,000,000
209	Pinnacles Telephone Co.	1,430,000
210	Calaveras Telephone Company	10,300,000
228	Ducor Telephone Company	8,980,000
229	Global Valley Networks, Inc.	10,200,000
235	Foresthill Telephone Co.	5,310,000
239	Hornitos Telephone Company	809,000
240	Happy Valley Telephone Company	1,890,000
246	Kerman Telephone Co.	12,700,000
270	Citizens Telecommunications Company of Golden State, Inc.	4,520,000
279	Pacific Bell Telephone Company	6,811,400,000
284	Citizens Telecommunications Company of California, Inc.	139,600,000
286	Sierra Telephone Company, Inc.	41,500,000
294	SureWest Telephone	163,800,000
301	Siskiyou Telephone Company, The	20,800,000
311	Citizens Telecommunications Company of Tuolumne, Inc.	4,960,000
320	Verizon West Coast, Inc.	12,600,000
327	Volcano Telephone Company	22,000,000
328	Cal-Ore Telephone Co.	7,670,000
330	Winterhaven Telephone Company	1,780,000

The Board recessed at 10:38 a.m. and reconvened at 11:04 a.m. with Mr. Chiang, Mr. Parrish, Ms. Yee and Mr. Leonard present, Ms. Mandel present on behalf of Mr. Westly in accordance with Government Code section 7.9.

Wednesday, May 17, 2006

**CORPORATE FRANCHISE AND PERSONAL INCOME TAXES HEARINGS**

Dante S. Detorres, 318123

2000, \$3,202.00 Assessment

For Appellant:

Dante S. Detorres, Taxpayer

For Franchise Tax Board:

Susan Small, Tax Counsel

Contribution Disclosures pursuant to Government Code section 15626: None were disclosed.

Issues: Whether appellant has met his burden to prove error in the proposed assessment.

Whether a frivolous appeal penalty should be imposed.

Respondent's Exhibit: Miscellaneous Documents (Exhibit 5.1)

Action: Upon motion of Ms. Yee, seconded by Ms. Mandel and unanimously carried, Mr. Chiang, Mr. Parrish, Ms. Yee, Mr. Leonard and Ms. Mandel voting yes, the Board submitted the appeal for decision.

Exhibits to these minutes are incorporated by reference.

R. Lyle Van Norman, 313303

1993, \$7,067.37 Claim for Refund

For Appellant:

R. Lyle Van Norman, Taxpayer

Willie Preston, Assemblyman,

Doug LaMalfa's Office

For Franchise Tax Board:

Susan Small, Tax Counsel

Contribution Disclosures pursuant to Government Code section 15626: None were disclosed.

Issue: Whether appellant's claim for refund is barred by the statute of limitations.

Action: Upon motion of Ms. Yee, seconded by Ms. Mandel and unanimously carried, Mr. Chiang, Mr. Parrish, Ms. Yee, Mr. Leonard and Ms. Mandel voting yes, the Board submitted the appeal for decision.

The Board recessed at 11:55 a.m. and reconvened at 1:34 p.m. with Mr. Chiang, Mr. Parrish, Ms. Yee, Mr. Leonard and Ms. Mandel present.

**SALES AND USE TAX APPEALS HEARING**

Stelios John Tsagris, 141853 (CH)

2-12-98 to 12-31-00, \$35,502.54 Tax, \$3,550.26 Negligence Penalty

For Petitioner:

Basil J. Boutris, Attorney

Stelios Tsagris, Taxpayer

For Sales and Use Tax Department:

Kevin Hanks, Hearing Representative

Contribution Disclosures pursuant to Government Code section 15626: None were disclosed.

Issues: Whether further adjustments are warranted to the audited amount of taxable sales.

Whether the 10 percent penalty for negligence is applicable.

Action: Upon motion of Ms. Yee, seconded by Ms. Mandel and unanimously carried, Mr. Chiang, Mr. Parrish, Ms. Yee, Mr. Leonard and Ms. Mandel voting yes, the Board ordered that the petition be submitted for decision.

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# **PROPERTY TAXES HEARING**

Free Sacred Trinity Church, 282156

1996 to 2005

Optimum Health Institute – San Diego, 345762

2004 to 2005

For Petitioner:

Paul J. Dostart, Attorney

Robert P. Nees, Representative

Ernest Dronenburg, Jr., Representative

For Property and Special Taxes Department: Mary Ann Alonzo, Tax Counsel

Contribution Disclosures pursuant to Government Code section 15626: None were disclosed.

Issues: Whether Free Sacred Trinity Church qualifies for the exemption from property taxation as an organization operated for religious purposes when its sole purpose is the operation of a holistic health educational facility, Optimum Health Institute.

Whether the property of Free Sacred Trinity Church qualifies for exemption as property used exclusively for religious purposes when it is used solely for the operation of a holistic health educational facility.

Whether Free Sacred Trinity Church qualifies for an organizational clearance certificate as an organization operated for religious purposes when its sole purpose is the operation for a holistic health educational facility.

Whether Optimum Health Institute – San Diego qualifies for an organizational clearance certificate as an organization operated for religious purposes when its sole purpose is the operation of a holistic health educational facility.

Petitioner's Exhibit: Miscellaneous Documents (Exhibit 5.2)

Staff's Exhibit: Miscellaneous Documents (Exhibit 5.3)

Action: Upon motion of Ms. Yee, seconded by Ms. Mandel and unanimously carried, Mr. Chiang, Mr. Parrish, Ms. Yee, Mr. Leonard and Ms. Mandel voting yes, the Board ordered that the petition be submitted for decision.

# **LEGAL APPEALS MATTERS, CONSENT**

The Board deferred consideration of the following matter: *David Elias Pardo, 172990.*

With respect to the Legal Appeals Matters Consent Agenda, upon a single motion of Mr. Leonard, seconded by Ms. Yee and unanimously carried, Mr. Chiang, Mr. Parrish, Ms. Yee, Mr. Leonard and Ms. Mandel voting yes, the Board made the following orders:

David Elias Pardo, 172990 (AR)

7-1-97 to 6-30-00, \$19,293.37 Tax

Action: The Board took no action.

West Coast Vending Services, Inc., 298284 (CH)

4-1-01 to 3-31-04, \$7,601.62 Interest

Action: Redetermine as recommended by the Appeals Division.

Wednesday, May 17, 2006

Computer Ware, Inc., 268633 (KH)

1-1-01 to 9-30-93, \$13,128.70 Tax

Action: Redetermine as recommended by the Appeals Division.

**CORPORATE FRANCHISE AND PERSONAL INCOME TAX MATTERS, CONSENT**

The Board deferred consideration of the following matter: *Robert Elliot and Marilyn L. Elliot, 310555.*

With respect to the Corporate Franchise and Personal Income Tax Matters Consent Agenda, upon a single motion of Mr. Leonard, seconded by Ms. Yee and unanimously carried, Mr. Chiang, Mr. Parrish, Ms. Yee, Mr. Leonard and Ms. Mandel voting yes, Ms. Mandel not participating in *Foster Poultry Farms, 268417, Norma F. Maddy and Estate of Kenneth L. Maddy, 268429, Estate of Thomas Foster (deceased) and Julie Foster and Trevor Foster, 268418, and, George Presnell Foster and Suzanne Foster, 268431*; the Board made the following orders:

Paul Alan Alexander, 297791

1996, \$972.00 Assessment

Action: Sustain the action of the Franchise Tax Board.

Timothy Ampe and Tamara Hurley, 298753

Stephen Eastin, 299026

Daniel Hirscher and Kathleen Hirscher, 300506

1998, \$2,328.00 Claims for Refunds

Action: Sustain the action of the Franchise Tax Board.

Michael Baldigo, 296867

2001, \$580.00 Claim for Refund

Action: Sustain the action of the Franchise Tax Board.

Michael Berrios, 327896

2003, \$813.00 Assessment

Action: Sustain the action of the Franchise Tax Board.

Darreen Carr-Trujillo, 311986

2003, \$1,369.17 Claim for Refund

Action: Sustain the action of the Franchise Tax Board.

Romulo R. Dioquino and Dalisay S. Dioquino, 310563

2000, \$8,992.00 Assessment

Action: Sustain the action of the Franchise Tax Board.

Pete Durand, 311154

1997, \$606.98 Assessment

Action: Sustain the action of the Franchise Tax Board.

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Robert Elliot and Marilyn L. Elliot, 310555

2003, \$5,960.24 Assessment

Action: The Board took no action.

Foster Poultry Farms, 268417

Norma F. Maddy and Estate of Kenneth L. Maddy, 268429

Estate of Thomas Foster (deceased) and Julie Foster and Trevor Foster, 268418

George Presnell Foster and Suzanne Foster, 268431

1995, \$20,665.32 Assessment

1996, \$17,327.52 Assessment

Action: Reverse the action of the Franchise Tax Board. Ms. Mandel not participating.

General Electronics Applications, Inc., 313946

2003, \$166.80 Claim for Refund

Action: Sustain the action of the Franchise Tax Board.

Reginald S. Gonzales, 309717

2002, \$1,167.00 Assessment

Action: Sustain the action of the Franchise Tax Board.

The Greystone Group, Inc., 311614

2002, \$1,600.00 Tax, \$200.00 Penalty

Action: Sustain the action of the Franchise Tax Board.

Vardan Hovanessian, 287704

1998, \$52,132.00 Assessment

Action: Sustain the action of the Franchise Tax Board.

William L. Hugaboom, 312749

2001, \$7,321.00 Tax, \$1,830.25 Late Filing Penalty

2002, \$9,432.00 Tax, \$2,358.00 Late Filing Penalty

Action: Sustain the modified action of the Franchise Tax Board and impose a \$750.00 frivolous appeal penalty.

Jeffrey F. January, 311661

2001, \$420.00 Assessment

Action: Sustain the action of the Franchise Tax Board.

Walter T. Jones and Leona F. Jones, 288000

2000, \$902.00 Assessment

2001, \$1,936.00 Assessment

Action: Sustain the action of the Franchise Tax Board.

Conail C. Kwok, 330291

1999, \$409.00 Claim for Refund

Action: Sustain the action of the Franchise Tax Board.

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James T. McGuire and Karin H. McGuire, 313123

1995, \$1.00 or more Assessment

Action: Sustain the action of the Franchise Tax Board.

Kimberly A. McVicar, 329700

2002, \$1,015.00 Assessment, Plus Interest

Action: Modify the action of the Franchise Tax Board.

Mockingbird Partners, LLC, 306061

2001, \$800 Claim for Refund

2002, \$800 Claim for Refund

Action: Sustain the action of the Franchise Tax Board.

Steven R. Null, 312815

2002, \$1,656.00 Assessment

Action: Sustain the action of the Franchise Tax Board.

Vicky Palaganas, 316294

2003, \$1,518.00 Assessment

Action: Sustain the action of the Franchise Tax Board.

Alfred R. Penn, 315199

1993, \$1,721.44 Claim for Refund

Action: Sustain the action of the Franchise Tax Board.

Lori Pridemore, 315439

1997, \$7,466.88 Claim for Refund

1998, \$50,879.30 Claim for Refund

1999, \$668.89 Claim for Refund

Action: Sustain the action of the Franchise Tax Board.

Melvin A. Vides, 310520

2003, \$1,222.00 Assessment

Action: Sustain the action of the Franchise Tax Board.

Tsun Yeung, 304846

2001, \$2,565.00 Assessment

Action: Sustain the action of the Franchise Tax Board.

Nasreen Zia, 315101

2001, \$862.00 Assessment

Action: Sustain the action of the Franchise Tax Board.

Glen A. Blair, 242041

1999, \$2,523.00 Tax, \$1,261.50 Penalty, \$2,500 Frivolous Appeal Penalty

Action: Deny the petition for rehearing.

Wednesday, May 17, 2006

Elisabeth A. Bossingham, 269712

2000, \$5,378.00 Tax, \$1,344.50 Late Filing Penalty, \$750.00 Frivolous Appeal Penalty

Action: Deny the petition for rehearing.

Vincent Castell, 263180, 269716

2000, \$822.00 Tax, \$1,512.75 Penalty

2001, \$6,467.00 Tax, \$3,397.25 Penalty

Action: Deny the petition for rehearing.

Thomas R. Delong, 266589

2001, \$479.00 Tax, \$241.50 Penalty, \$108.00 Filing Enforcement Fee, \$2,500 Frivolous Penalty

Action: Deny the petition for rehearing.

Gregory J. Galaski , 282944

1999, \$5,145.00 Tax, \$3,450.75 Penalty

2000, \$2,648.00 Tax, \$2,849.50 Penalty

Action: Deny the petition for rehearing.

George Georgiou and Judy Georgiou, 254030

1989, \$57,738.00 Tax, \$2,586.90 Penalty

1990, \$185,554.00 Tax, \$37,110.80 Penalty

Action: Deny the petition for rehearing.

M & B Asset Management Trust, 270603

1998, \$44,189.00 Assessment, \$8,837.80 Accuracy Penalty, \$11,047.25 Failure to File Penalty

1999, \$21,468.00 Assessment, \$4,293.60 Accuracy Penalty, \$5,367.00 Failure to File Penalty

2000, \$15,541.00 Assessment, \$3,108.20 Accuracy Penalty, \$3,885.25 Failure to File Penalty

Action: Deny the petition for rehearing.

Daniel B. Martin, 294391

2001, \$2,119.00 Tax

Action: Deny the petition for rehearing.

John Michael Payne, 290261

1998, \$3,865.75 Claim for Refund

1999, \$7,389.75 Claim for Refund

2001, \$597.25 Claim for Refund

Action: Deny the petition for rehearing.

## HOMEOWNER AND RENTER PROPERTY TAX ASSISTANCE MATTERS, CONSENT

With respect to the Homeowner and Renter Property Tax Assistance Matters Consent Agenda, upon a single motion of Ms. Yee, seconded by Mr. Leonard and unanimously carried, Mr. Chiang, Mr. Parrish, Ms. Yee, Mr. Leonard and Ms. Mandel voting yes, the Board made the following orders:

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Jose Fremonde, 317508

2004, \$347.50

Action: Sustain the action of the Franchise Tax Board.

Christina Hayes, 309696

2004, \$1.00 or more

Action: Sustain the action of the Franchise Tax Board.

Sylvia Hooper, 329012

2005, \$347.50

Action: Sustain the action of the Franchise Tax Board.

Qui Li, 328226

2005, \$347.50

Action: Sustain the action of the Franchise Tax Board.

Esmaeil Mahmoudian, 328136

2005, \$265.00

Action: Sustain the action of the Franchise Tax Board.

Daniel Oliver, 330363

2004, \$1.00 or more

Action: Sustain the action of the Franchise Tax Board.

Frank J. Vlatko, 310526

2004, \$175.00

Action: Sustain the action of the Franchise Tax Board.

**SALES AND USE TAX MATTERS, REDETERMINATIONS, RELIEF OF PENALTIES  
AND DENIALS OF CLAIMS FOR REFUND, CONSENT**

With respect to the Sales and Use Tax Matters, Redeterminations, Relief of Penalties and Denials of Claims for Refund, Consent Agenda, upon a single motion of Ms. Yee, seconded by Mr. Parrish and unanimously carried, Mr. Chiang, Mr. Parrish, Ms. Yee, Mr. Leonard and Ms. Mandel voting yes, Mr. Chiang not participating in *The Tei Fu Chen Family Trust*, 345572; Ms. Mandel not participating in accordance with Government Code section 87105 in *VW Credit, Inc.*, 238568; the Board made the following orders:

Sky Chefs, Inc., 260794 (OHC)

10-1-97 to 3-31-01, \$1,182,989.76

Action: Approve the redetermination as recommended by staff.

CSK Auto, Inc., 242462 (OH)

10-6-97 to 10-1-00, \$1,303,094.77

Action: Approve the redetermination as recommended by staff.

Wednesday, May 17, 2006

VRL-UCP, Inc., 293207 (OH)

1-1-01 to 12-31-03, \$209,911.55

Action: Approve the redetermination as recommended by staff.

Bonita Marketing, Inc., 333853 (UT)

10-28-04 to 10-28-04, \$65,516.00

Action: Approve the redetermination as recommended by staff.

Wholesale Factory, Inc., 221740 (AA)

7-1-98 to 6-30-01, \$167,309.79

Action: Approve the redetermination as recommended by staff.

Pirelli Comm Cacle & Sys USA, LLC., 298885 (OHB)

1-1-01 to 9-30-04, \$1,752,549.19

Action: Approve the redetermination as recommended by staff.

Holiday RV Superstores West, Inc., 254666 (KH)

1-1-00 to 11-30-02, \$367,394.23

Action: Approve the redetermination as recommended by staff.

Smed International, Inc., 286881 (OH)

1-1-99 to 12-31-01, \$162,322.31

Action: Approve the redetermination as recommended by staff.

Atriniti Corporation, 288356 (OHB)

1-1-00 to 6-30-03, \$157,228.24

Action: Approve the redetermination as recommended by staff.

Hajoca Corporation, 345463 (OHB)

5-1-05 to 6-15-05, \$52,031.75

Action: Approve the relief of penalty as recommended by staff.

The Tei Fu Chen Family Trust, 345572 (AS)

7-1-04 to 3-31-05, \$161,262.80

Action: Approve the relief of penalty as recommended by staff. Mr. Chiang not participating.

VW Credit, Inc., 238568 (OHA)

7-1-00 to 6-30-03, \$399,940.86

Action: Approve the denial of claim for refund as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 87105.

Advanta Business Services Corporation, 345291 (OHB)

1-1-99 to 12-31-01, \$531,770.37

Action: Approve the denial of claim for refund as recommended by staff.

Wednesday, May 17, 2006

Customized Auto Credit, Inc., 342943 (OHC)

7-1-97 to 12-31-97, \$190,952.67

Action: Approve the denial of claim for refund as recommended by staff.

**SALES AND USE TAX MATTERS, CREDITS, CANCELLATIONS AND REFUNDS, CONSENT**

The Board deferred consideration of the following matters: *The Disney Store, Inc.*, 342078; and, *Chevron U.S.A., Inc.*, 334951.

With respect to the Sales and Use Tax Matters, Credits, Cancellations and Refunds, Consent Agenda, upon a single motion of Ms. Yee, seconded by Mr. Leonard and unanimously carried, Mr. Chiang, Ms. Yee, Mr. Leonard and Ms. Mandel voting yes, Mr. Parrish not participating, Ms. Mandel not participating in accordance with Government Code section 87105 in *Volkswagen of America, Inc.*, 341563; and, *3M Company*, 266537; the Board made the following orders:

Candle Corporation, 261981 (AS)

4-1-98 to 3-31-01, \$89,710.82

Action: Approve the credit and cancellation.

Garden City, Inc., 344774 (GH)

7-01-01 to 12-31-04, \$171,154.57

Action: Approve the credit and cancellation.

Ibiden U.S.A. Corporation, 316706 (GH)

1-1-01 to 12-31-03, \$90,389.57

Action: Approve the credit and cancellation.

Jack R. Schneider, 266928 (EA)

4-1-03 to 6-30-03, \$456,729.13

Action: Approve the credit and cancellation.

Triangle Pipe &amp; Supply Company, Inc., 343158 (AP)

4-1-03 to 11-30-03, \$53,834.70

Action: Approve the credit and cancellation.

Azar Mahmood Kalayehhamrang, 341551 (EH)

7-1-00 to 6-30-04, \$60,726.12

Action: Approve the credit and cancellation.

Los Angeles Department Water &amp; Power, 309861 (AA)

1-1-97 to 12-31-02, \$92,290.91

Action: Approve the refund as recommended by staff.

**Wednesday, May 17, 2006**

The Disney Store, Inc., 342078 (AC)

10-1-99 to 11-20-04, \$679,219.91

Action: The Board deferred consideration of this matter.

Central Purchasing, Inc., 341633 (AR)

1-1-02 to 1-31-05, \$133,040.69

Action: Approve the refund as recommended by staff.

Rebar Engineering, Inc., 344702 (AA)

7-1-02 to 6-30-05, \$104,772.94

Action: Approve the refund as recommended by staff.

Chevron U.S.A., Inc., 334951 (BH)

1-1-96 to 9-30-01, \$7,233,728.17

Action: The Board deferred consideration of this matter.

Volkswagen of America, Inc., 341563 (OHA)

7-1-05 to 9-30-05, \$89,086.37

Action: Approve the refund as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 87105.

Purcell-Murray Company, Inc., 334384 (BH)

1-1-05 to 3-31-05, \$132,036.58

Action: Approve the refund as recommended by staff.

Evans & O'Brien, Inc., 331906 (GH)

7-1-02 to 6-30-05, \$62,148.19

Action: Approve the refund as recommended by staff.

Sea World, Inc., 341157 (FH)

1-1-03 to 9-30-05, \$103,646.92

Action: Approve the refund as recommended by staff.

Alza Corporation, 346665 (BH)

4-1-99 to 9-30-04, \$172,609.47

Action: Approve the refund as recommended by staff.

Ibiden U.S.A. Corporation, 318255 (GH)

1-1-01 to 12-31-03, \$73,842.47

Action: Approve the refund as recommended by staff.

Airgas-Northern California/Nevada, Inc., 301071 (KH)

10-1-04 to 12-31-04, \$102,666.65

Action: Approve the refund as recommended by staff.

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Cessna Finance Corporation, 263743 (OHA)

10-1-02 to 3-31-04, \$64,233.06

Action: Approve the refund as recommended by staff.

Avcom Technologies, Inc., 218026 (GH)

1-1-03 to 6-30-03, \$147,229.11

Action: Approve the refund as recommended by staff.

Advanta Business Services, Corporation, 151186 (OHB)

1-1-99 to 9-30-04, \$667,106.12

Action: Approve the refund as recommended by staff.

Customized Auto Credit, Inc., 105636 (OHC)

7-1-97 to 12-31-00, \$1,166,802.67

Action: Approve the refund as recommended by staff.

Proquire, LLC, 343322 (OHA)

10-1-03 to 12-31-04, \$94,395.68

Action: Approve the refund as recommended by staff.

Corn Products International, Inc., 342232 (KH)

1-1-01 to 12-31-03, \$65,431.06

Action: Approve the refund as recommended by staff.

Good Samaritan Hospital, LP, 343648 (GH)

10-1-01 to 9-30-04, \$58,833.10

Action: Approve the refund as recommended by staff.

WFS Financial, Inc., 331810 (EAA)

7-1-05 to 9-30-05, \$743,159.28

Action: Approve the refund as recommended by staff.

McBride Door &amp; Hardware, Inc., 300581 (FHB)

10-1-02 to 12-31-04, \$50,658.66

Action: Approve the refund as recommended by staff.

Los Angeles Department Water &amp; Power, 310240 (AA)

1-1-97 to 12-31-02, \$92,295.85

Action: Approve the refund as recommended by staff.

3M Company, 266537 (OHA)

1-1-02 to 12-31-03, \$431,406.08

Action: Approve the refund as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 87105.

Wednesday, May 17, 2006

Applied Graphics Technologies, Inc., 308049 (AA)

7-1-00 to 6-30-05, \$240,785.35

Action: Approve the refund as recommended by staff.

Telesis Community Credit Union, 207964 (AC)

1-1-02 to 3-31-05, \$244,330.83

Action: Approve the refund as recommended by staff.

Webmethods, Inc., 214600 (OHB)

10-1-00 to 9-30-01, \$247,640.42

Action: Approve the refund as recommended by staff.

Top Auto Finance, Inc., 339257 (AC)

1-1-05 to 6-30-05, \$76,096.03

Action: Approve the refund as recommended by staff.

El-Shahawi Group, Inc., 340388 (AA)

1-1-05 to 9-30-05, \$51,411.93

Action: Approve the refund as recommended by staff.

Nikko Materials USA, Inc., 346129 (OH)

10-1-05 to 12-31-05, \$84,958.85

Action: Approve the refund as recommended by staff.

**SPECIAL TAXES MATTERS, DENIALS OF CLAIMS FOR REFUNDS AND  
REDETERMINATIONS, CONSENT**

With respect to the Special Taxes Matters, Denials of Claims for Refunds and Redeterminations, Consent Agenda, upon a single motion of Mr. Parrish, seconded by Ms. Mandel and unanimously carried, Mr. Chiang, Mr. Parrish, Ms. Yee, Mr. Leonard and Ms. Mandel voting yes, Mr. Chiang not participating in *ExxonMobile Oil Corporation, 303392*; the Board made the following orders:

US Telecom, Inc., 315283 (ET)

12-1-97 to 4-30-00, \$2,289,936.82

Action: Approve the denial of claim for refund as recommended by staff.

In Touch Communications, Inc., 172849 (ET)

3-1-99 to 7-31-01, \$70,946.96

Action: Approve the denial of claim for refund as recommended by staff.

ExxonMobile Oil Corporation, 303392 (EF)

7-1-04 to 12-31-04, \$68,280.48

Action: Approve the redetermination as recommended by staff. Mr. Chiang not participating.

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**SPECIAL TAXES MATTERS, CREDITS, CANCELLATIONS AND REFUNDS,  
CONSENT**

With respect to the Special Taxes Matters, Credits, Cancellations and Refunds, Consent Agenda, upon a single motion of Ms. Yee, seconded by Mr. Leonard and unanimously carried, Mr. Chiang, Mr. Parrish, Ms. Yee, Mr. Leonard and Ms. Mandel voting yes, Ms. Mandel not participating in accordance with Government Code section 7.9 in *Metropolitan Life Insurance Company, 244342*; *Metropolitan Life Insurance Company, 335834*; and, *Northwestern Mutual Life Insurance Company, 336995*; the Board made the following orders:

**Metropolitan Life Insurance Company, 244342 (IT)**

1-1-03 to 12-31-03, \$82,050.56

Action: Approve the credit and cancellation as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**Hanson Aggregates Mid-Pacific, Inc., 349422 (EF)**

1-1-02 to 12-31-02, \$65,065.77

Action: Approve the refund as recommended by staff.

**U. S. Marine Corps, 332286 (HGF)**

1-1-04 to 12-31-04, \$68,482.76

Action: Approve the refund as recommended by staff.

**Metropolitan Life Insurance Company, 335834 (IT)**

1-1-03 to 12-31-04, \$5,517,208.47

Action: Approve the refund as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**Northwestern Mutual Life Insurance Company, 336995 (IT)**

1-1-03 to 12-31-03, \$190,864.25

Action: Approve the refund as recommended by staff. Ms. Mandel not participating in accordance with Government Code section 7.9.

**SALES AND USE TAX MATTERS, REDETERMINATIONS AND DENIALS OF  
CLAIMS FOR REFUND, ADJUDICATORY****MCY III Corporation, 218314 (AC)**

1-1-98 to 9-30-01, \$277,519.59

Considered by the Board: April 23, 2003

Contribution Disclosures pursuant to Government Code section 15626: None were disclosed.

Action: Upon motion of Ms. Yee, seconded by Mr. Leonard and unanimously carried, Mr. Chiang, Mr. Parrish, Ms. Yee, Mr. Leonard and Ms. Mandel voting yes, the Board approved the redetermination as recommended by staff.

**Wednesday, May 17, 2006**

Procter & Gamble Paper Products Company, 335295 (OHA)

10-1-01 to 9-30-03, \$73,421.10

Contribution Disclosures pursuant to Government Code section 15626: None were disclosed.

Action: Upon motion of Ms. Yee, seconded by Mr. Leonard and unanimously carried, Mr. Chiang, Ms. Yee and Mr. Leonard voting yes, Mr. Parrish not participating, Ms. Mandel not participating in accordance with Government Code section 87105, the Board approved the denial of claim for refund as recommended by staff.

### **SALES AND USE TAX MATTERS, REFUNDS, ADJUDICATORY**

Procter & Gamble Paper Products Company, 261793 (OHA)

7-1-01 to 6-30-04, \$188,578.86

Contribution Disclosures pursuant to Government Code section 15626: None were disclosed.

Action: Upon motion of Ms. Yee, seconded by Mr. Leonard and unanimously carried, Mr. Chiang, Ms. Yee, Mr. Leonard voting yes, Mr. Parrish not participating, Ms. Mandel not participating in accordance with Government Code section 87105, the Board approved the refund as recommended by staff.

### **SPECIAL TAXES MATTERS, REFUNDS, ADJUDICATORY**

W. A. Dwelle, Inc., 332362 (MT)

7-1-02 to 12-31-03, \$62,115.81

Contribution Disclosures pursuant to Government Code section 15626: None were disclosed.

Action: Upon motion of Ms. Yee, seconded by Mr. Parrish and unanimously carried, Mr. Chiang, Mr. Parrish, Ms. Yee, Mr. Leonard and Ms. Mandel voting yes, the Board approved the refund as recommended by staff.

### **TAX PROGRAM NONAPPEARANCE MATTERS NOT SUBJECT TO CONTRIBUTION DISCLOSURE STATUTE**

#### **PROPERTY TAX MATTERS**

##### **Audits**

Lodi Gas Storage, LLC (198)

2002, \$12,200,000 Escaped Assessment, \$1,220,000 Penalties, \$4,026,000 In-lieu Interest

2003, \$14,600,000 Escaped Assessment, \$1,460,000 Penalties, \$3,504,000 In-lieu Interest

2004, \$14,900,000 Escaped Assessment, \$1,490,000 Penalties, \$2,235,000 In-lieu Interest

2005, \$15,500,000 Escaped Assessment, \$1,550,000 Penalties, \$930,000 In-lieu Interest

Action: Upon motion of Ms. Yee, seconded by Mr. Parrish and unanimously carried, Mr. Chiang, Mr. Parrish, Ms. Yee and Mr. Leonard voting yes, Ms. Mandel not participating in accordance with Government Code section 7.9, the Board adopted the audit escaped assessments, plus penalties and in-lieu interest, as recommended by staff.

Wednesday, May 17, 2006

**Dacom America, Inc., (7831)**

2004, \$1,500,000.00 Escaped Assessment, \$150,000.00 Penalties, \$225,000.00 In-lieu Interest

Action: Upon motion of Ms. Yee, seconded by Mr. Parrish and unanimously carried, Mr. Chiang, Mr. Parrish, Ms. Yee and Mr. Leonard voting yes, Ms. Mandel not participating in accordance with Government Code section 7.9, the Board adopted the audit escaped assessment, plus penalties and in-lieu interest, as recommended by staff.

**Advanced Tel, Inc., (7952)**

2003, \$25,000.00 Escaped Assessment, \$2,500.00 Penalties, \$6,000.00 In-lieu Interest

2004, \$54,000.00 Escaped Assessment, \$5,400.00 Penalties, \$8,100.00 In-lieu Interest

2005, \$34,000.00 Escaped Assessment, \$3,400.00 Penalties, \$2,040.00 In-lieu Interest

Action: Upon motion of Ms. Yee, seconded by Mr. Parrish and unanimously carried, Mr. Chiang, Mr. Parrish, Ms. Yee and Mr. Leonard voting yes, Ms. Mandel not participating in accordance with Government Code section 7.9, the Board adopted the audit escaped assessments, plus penalties and in-lieu interest, as recommended by staff.

**Teledata Solutions, Inc., (7980)**

2004, \$134,000.00 Escaped Assessment, \$13,400.00 Penalties, \$20,100.00 In-lieu Interest

2005, \$491,000.00 Escaped Assessment, \$49,100.00 Penalties, \$29,460.00 In-lieu Interest

Action: Upon motion of Ms. Yee, seconded by Mr. Parrish and unanimously carried, Mr. Chiang, Mr. Parrish, Ms. Yee and Mr. Leonard voting yes, Ms. Mandel not participating in accordance with Government Code section 7.9, the Board adopted the audit escaped assessments, plus penalties and in-lieu interest, as recommended by staff.

**Unitary Escaped Assessments****New World Telecom International, Inc. (7967)**

2005, \$273,000.00 Escaped Assessment, \$ 27,300.00 Penalty

**Telecom Consultants, Inc., (8033)**

2005, \$4,700.00 Escaped Assessment, \$470.00 Penalty

**Phone 1, Inc., (8034)**

2005, \$950,000.00 Escaped Assessment, \$95,000.00 Penalty

**Access One, Inc., (8035) (2005 Lien Date)**

2005, \$16,100.00 Escaped Assessment, \$1,610.00 Penalty

**Access One, Inc., (8035) (2004 Lien Date)**

2004, \$20,000.00 Escaped Assessment, \$2,000.00 Penalty

Action: Upon motion of Ms. Yee, seconded by Mr. Parrish and unanimously carried, Mr. Chiang, Mr. Parrish, Ms. Yee and Mr. Leonard voting yes, Ms. Mandel not participating in accordance with Government Code section 7.9, the Board adopted the unitary escaped assessments, plus penalties, as recommended by staff.

Wednesday, May 17, 2006

**Unitary Land Escaped Assessments**

Metro PCS California/Florida, Inc., (2733)

2002-2005, \$13,639,146.00 Value

Cricket Communications, Inc., (2762)

2002-2005, \$2,511,456.00 Value

Action: Upon motion of Ms. Yee, seconded by Mr. Parrish and unanimously carried, Mr. Chiang, Mr. Parrish, Ms. Yee and Mr. Leonard voting yes, Ms. Mandel not participating in accordance with Government Code section 7.9, the Board adopted the unitary land escaped assessments as recommended by staff.

**OFFERS-IN-COMPROMISE RECOMMENDATIONS**

Action: Upon motion of Mr. Leonard, seconded by Mr. Parrish and unanimously carried, Mr. Chiang, Mr. Parrish, Ms. Yee, Mr. Leonard and Ms. Mandel voting yes, the Board approved the Offer in Compromise of *Edward Belzberg* as recommended by staff.

**CHIEF COUNSEL MATTERS****RULEMAKING****Proposed Amendment to State Board of Equalization Rules of Practice, Chapter 3**

Kristine Cazadd, Chief Counsel, Legal Department made introductory remarks regarding the concept approval for Revised Procedures for Property Tax Appeals and new *Rules of Practice*, Chapter 3, *Property Taxes* (Exhibit 5.4).

Speakers: Peter Michaels, Cooper, White & Cooper

Action: Upon motion of Mr. Leonard, seconded by Mr. Parrish and duly carried, Mr. Chiang, Mr. Parrish, Ms. Yee and Mr. Leonard voting yes, Ms. Mandel voting no, the Board approved staff's recommendation in concept of the new Rules of Practice, Chapter 3, *Property Taxes*.

**Proposed Amendment to State Board of Equalization Rules of Practice, Chapter 4**

Kristine Cazadd, Chief Counsel, Legal Department made introductory remarks regarding the concept approval for new *Rules of Practice*, Chapter 4, *Appeals from Actions of the Franchise Tax Board* (Exhibit 5.5).

Speakers: Kenneth Davis, Senior Tax Counsel, FTB  
Susan Borgman, Supervising Tax Counsel, FTB

Action: Upon motion of Mr. Leonard, seconded by Mr. Parrish and unanimously carried, Mr. Chiang, Mr. Parrish, Ms. Yee, Mr. Leonard and Ms. Mandel voting yes, the Board deferred consideration of this matter to the June 27, 2006, Sacramento Board Meeting.

Wednesday, May 17, 2006

**Repeal of Property Tax Rule 139**

Robert Lambert, Tax Counsel III, Legal Department, was available to answer questions regarding the Repeal of Property Tax Rule 139, *Restricted Access as Damage Eligible for Reassessment Relief Pursuant to Revenue and Taxation Code section 170* (Exhibit 5.6).

Action: Upon motion of Ms. Yee, seconded by Mr. Chiang and duly carried, Mr. Chiang, Ms. Yee, Mr. Leonard and Ms. Mandel voting yes, Mr. Parrish voting no, the Board approved the section 100 change to Property Tax Rule 139, *Restricted Access as Damage Eligible for Reassessment Relief Pursuant to Revenue and Taxation Code section 170*.

**Proposed Revised Language to Sales and Use Tax Regulation 1591**

Randy Ferris, Tax Counsel III, Legal Department, made introductory remarks regarding the adoption of Proposed Revised Language to Sales and Use Tax Regulation 1591, *Medicines and Medical Devices* (Exhibit 5.7).

Action: Upon motion of Ms. Yee, seconded by Ms. Mandel and unanimously carried, Mr. Chiang, Mr. Parrish, Ms. Yee, Mr. Leonard and Ms. Mandel voting yes, the Board approved the revised language to Sales and Use Tax Regulation 1591, *Medicines and Medical Devices*, as recommended by staff.

**Petition to Amend Sales and Use Tax Regulation 1521**

Bradley Heller, Tax Counsel, Legal Department, was available to answer questions regarding the petition to amend Sales and Use Tax Regulation 1521, *Construction Contractors* (Exhibit 5.8).

Action: Upon motion of Ms. Mandel, seconded by Ms. Yee and unanimously carried, Mr. Chiang, Mr. Parrish, Ms. Yee, Mr. Leonard and Ms. Mandel voting yes, the Board referred the regulation to the interested parties process as recommend by staff.

**ADMINISTRATIVE SESSION****ADMINISTRATIVE MATTERS, CONSENT**

The Board deferred consideration of the following matter: *Approval of the Board Meeting Minutes of March 7-8, 2006*.

With respect to the Administrative Matters, Consent Agenda, upon a single motion of Mr. Leonard, seconded by Ms. Yee and unanimously carried, Mr. Chiang, Mr. Parrish, Ms. Yee, Mr. Leonard and Ms. Mandel voting yes, the Board made the following orders:

Action: Adopt the following resolutions extending its best wishes on their respective retirements and its appreciation for their service to the State Board of Equalization and the State of California (Exhibit 5.9).

**Wednesday, May 17, 2006**

Douglas R. Carroll, BTC Supervisor III, Ventura District Office  
Carol Cross, Business Taxes Specialist I, Houston Area Office  
Victor V. Day, Administrator, Excise Taxes and Fees Division, Headquarters  
Lisa G. Fisher, Tax Technician III, Return Analysis Unit, Headquarters  
Alvin J. Glatt, Business Taxes Representative, Norwalk District Office  
Larry Gorsline, Office Technician, New York Area Office  
Raymond L. Harispe, Supervising Tax Auditor III, Norwalk District Office  
Jeanne D. Rahier, AGPA, Sales and Used Tax Department, Headquarters  
Cynthia Lewis, Secretary, Santa Rosa District Office  
(Revision-Previous resolution adopted February 1, 2006, indicated Santa Ana Office)

Action: Approve the Board Meeting Minutes of October 18, 2005, Annual Board Meeting with County Assessors.

Action: Approve the 2006-07 Tobacco Products Tax Rate (Exhibit 5.10).

Action: Adopt the 4-R Act Equalization Ratio for 2006-07 (Exhibit 5.11).

Action: Approved the extension of time granted to Mariposa County to complete and submit 2006-07 Local Assessment Roll pursuant to Revenue and Taxation Code section 155 (Exhibit 5.12).

#### **APPROVAL OF BOARD COMMITTEE MEETING MINUTES**

##### **Business Taxes Committee**

Action: The Board deferred consideration of the April 18, 2006, Business Taxes Committee report.

The Board directed staff to include Members' votes in the minutes of all committee meetings.

##### **Legislative Committee**

Action: Upon motion of Ms. Yee, seconded by Mr. Leonard and unanimously carried, Mr. Chiang, Mr. Parrish, Ms. Yee, Mr. Leonard and Ms. Mandel voting yes, the Board approved the Legislative Committee report (Exhibit 5.13).

#### **OTHER ADMINISTRATIVE MATTERS**

##### **Executive Director's Report**

Ramon Hirsig, Executive Director, made introductory remarks and also introduced Ms. Karen Johnson, Deputy Director of Administration, who provided an update regarding Budget Hearings and May Revision Issues.

Wednesday, May 17, 2006

Ramon Hirsig, Executive Director, made introductory remarks and also introduced Ms. Karen Johnson, Deputy Director of Administration, who provided an update regarding Headquarters' Windows Project (Exhibit 5.14).

**Interagency Agreements Over \$1 Million**

Ms. Karen Johnson, Deputy Director of Administration, made introductory remarks regarding the routine renewal of two interagency agreements that expire June 30, 2006: Department of Motor Vehicles; and, Department of Toxic Substances Control (Exhibit 5.15).

Action: Upon motion of Mr. Leonard, seconded by Mr. Parrish and unanimously carried, Mr. Chiang, Mr. Parrish, Ms. Yee, Mr. Leonard and Ms. Mandel voting yes, the Board approved the contract for the Department of Motor Vehicles.

Action: Upon motion of Mr. Leonard, seconded by Ms. Yee and unanimously carried, Mr. Chiang, Mr. Parrish, Ms. Yee, Mr. Leonard and Ms. Mandel voting yes, the Board deferred consideration of the contract for the Department of Toxic Substances Control until the June 27, 2006, Sacramento Board Meeting.

**FINAL ACTION ON CORPORATE FRANCHISE AND PERSONAL INCOME TAXES HEARINGS HELD MAY 17, 2006**

Dante S. Detorres, 318123

Final Action: Upon motion of Ms. Yee, seconded by Ms. Mandel and unanimously carried, Mr. Chiang, Mr. Parrish, Ms. Yee, Mr. Leonard and Ms. Mandel voting yes, the Board sustained the action of the Franchise Tax Board and impose a \$750.00 frivolous appeal penalty.

R. Lyle Van Norman, 313303

Final Action: Mr. Parrish moved to sustain the action of the Franchise Tax Board and that a letter be sent to the California Victim Compensation and Government Claims Board recommending favorable consideration of the request for relief filed by the taxpayer in the amounts of \$7,067.37 for the year 1993. The motion was seconded by Mr. Leonard but failed to carry, Mr. Parrish and Mr. Leonard voting yes, Mr. Chiang and Ms. Yee voting no, Ms. Mandel not participating.

Upon motion of Ms. Yee, seconded by Mr. Chiang and duly carried, Mr. Chiang, Ms. Yee and Ms. Mandel voting yes, Mr. Parrish and Mr. Leonard voting no, the Board sustained the action of the Franchise Tax Board.

**FINAL ACTION ON SALES AND USE TAX APPEALS HEARING HELD MAY 17, 2006**

Stelios John Tsagris, 141853 (CH)

Final Action: Mr. Parrish moved to abate the negligence penalty, otherwise redetermine the petition as recommended by staff. The motion was seconded by Mr. Leonard but failed to carry, Mr. Parrish and Mr. Leonard voting yes, Mr. Chiang, Ms. Yee and Ms. Mandel voting no.

**Wednesday, May 17, 2006**

Upon motion of Mr. Parrish, seconded by Mr. Leonard and duly carried, Mr. Chiang, Mr. Parrish and Mr. Leonard voting yes, Ms. Yee and Ms. Mandel voting no, the Board ordered that the taxable sales ratio be reduced from 57.55 percent to 55 percent, otherwise redetermine the petition as recommended by the Appeals Division.

#### **FINAL ACTION ON PROPERTY TAXES HEARING HELD MAY 17, 2006**

Free Sacred Trinity Church, 282156

Optimum Health Institute – San Diego, 345762

Final Action: Ms. Mandel moved to deny the petition as recommended by staff. The motion was seconded by Ms. Yee. Mr. Leonard made a substitute motion to grant the petition. The substitute motion was seconded by Mr. Parrish but failed to carry, Mr. Leonard voting yes, Mr. Chiang, Ms. Yee and Ms. Mandel voting no, Mr. Parrish abstaining.

Upon motion of Ms. Yee, seconded by Ms. Mandel and duly carried, Mr. Chiang, Ms. Yee and Ms. Mandel voting yes, Mr. Leonard voting no, Mr. Parrish abstaining, the Board ordered that the petition be denied as recommended by staff.

#### **ANNOUNCEMENT OF CLOSED SESSION**

The Board recessed at 4:12 p.m. and reconvened immediately in closed session with Mr. Chiang, Mr. Parrish, Ms. Yee, Mr. Leonard and Ms. Mandel present.

#### **CLOSED SESSION**

The Board met to discuss pending litigation (Govt. Code § 11126(e)), settlements (R&T Code §§ 6901, 7093.5, 30459.1 and 50156.11) and personnel matters (Govt. Code § 11126(a)).

The Board recessed at 4:34 p.m. and reconvened immediately in open session with Mr. Chiang, Mr. Parrish, Ms. Yee, Mr. Leonard and Ms. Mandel present.

The Board adjourned at 4:36 p.m. in memory of the following: Former Mayor of San Gabriel, Honorable Chi Mui; Kazuo Miyashita, advocate for civil, human and equal rights and opportunity; and, Sue Kunitomi Embrey, interned in the Mazanar War Relocation Center during WWII, a Japanese American communities progressive activists, a teacher and a writer.

*The foregoing minutes are adopted by the Board on August 29, 2006.*

Note: The following cases were voluntarily postponed to a later date: *Litton Systems, Inc.*, 260932, 261345; *Pafinco*, 217918; *P.J. Helicopters, Inc.*, 224188; and, *Alpine PCS, Inc.* (2746), 315652.

The following matter was removed from the calendar prior to the meeting: *Chief Counsel Matter, Report on Law Guide Project.*